Risk Factors Comparison 2023-09-25 to 2022-09-28 Form: 10-K

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The risks and uncertainties described below are not the only ones we face and represent risks that our management believes are material to our Company and our business. Additional risks and uncertainties not presently known to us or that we currently deem not material may also harm our business. If any of the following risks actually occur, our business, financial condition or results of operations could be harmed. ~~RISKS~~ **results of operations.Finally,our competitors' new products may obtain better market acceptance or render our products obsolete,and / or new technological advances could disrupt our industry,which could negatively affect our financial results.The** RV ~~industry sales volumes can be volatile as the~~ industry is both cyclical and seasonal **and** ~~,making our business~~ subject to ~~significant~~ fluctuations in **sales,** production rates **and** ~~,sales,~~ net income ~~and stock price~~ .The RV industry has historically been characterized by cycles of growth and contraction in consumer demand, ~~generally~~ reflecting prevailing economic and demographic conditions **,** which affect disposable income for leisure- time activities. ~~Changes can impact the RV industry suddenly and severely.~~ Consequently,the results of any prior period may not be indicative of results for any future period.In addition ~~to the RV industry cyclicality~~ ,we have experienced **in the past** ,and expect to experience in future periods,significant variability in quarterly **sales,** production rates ~~,sales~~ and net income as a result of annual seasonality in our business. ~~Because~~ **Since** recreational vehicles are used primarily by vacationers and campers, **historically,** demand ~~,sales and profits~~ in the ~~RV~~ **recreational vehicle** industry generally ~~decline~~ **declines** during the fall and winter months,while ~~demand,~~ sales and profits are generally highest during the spring and summer months.Various factors such as ~~public health issues~~ **the COVID- 19 pandemic** ,constraints in the labor pool ~~,~~ **and** supply chain disruptions, ~~economic conditions and desired dealer stocking levels~~ have disrupted,and may disrupt in the future,the historical trends in the seasonality of our business in both North America and Europe.Our business is structured to quickly align production rates and cost structure to meet ~~rapidly~~ **fast** changing market conditions.However,if we are **not** ~~unable~~ -- **able** to ramp production ~~,and the corresponding workforce,~~ up or down quickly enough in response to rapid changes in demand,we may not be able to effectively manage our costs,which could negatively impact ~~operating~~ OPERATIONAL RISKS We are highly dependent on our suppliers to deliver **raw materials and** ~~components~~ - **component parts** timely and in sufficient quantities to meet our production demands ~~. In addition, certain key components, including chassis, are produced by only a small group of suppliers~~ . We depend on timely and sufficient delivery of **raw materials and component parts from our suppliers. If there is a shortage of raw materials or component parts in our supply chain or a supplier is unable to deliver raw materials and component parts to us because of a production issue, limited availability of materials, shipping problems or other reason, the shortage may disrupt our operations or increase our cost of production. For example, in fiscal 2023, ongoing supply chain constraints of component parts other than chassis, primarily within our European operations, had a negative impact on our business and our consolidated financial results and financial position, and we expect supply constraints of certain of these other** components ~~from our suppliers~~ **to continue through at least the first half of fiscal 2024** . ~~Many~~ **Raw materials and** ~~components~~ - **component parts** are **generally** ~~readily available from a variety of sources. However, certain key components are currently produced by only a small group of suppliers that have the capacity to supply large quantities, primarily: 1) motorized chassis, where there are a limited number of chassis suppliers, and 2) windows and doors, towable frames and slide- out mechanisms, axles and upholstered furniture for our recreational vehicles, where LCI Industries is a major supplier for these items within the North American RV industry. The remaining components are~~ sourced from a number of suppliers ~~,~~ that may not have **: (** 1) the ability to meet our needs timely or completely, **(** 2) the financial reserves or borrowing power to successfully manage through an economic hardship or **(** 3) the ability to financially support potential warranty or recall demands. Additionally, some of our suppliers have in the past discontinued, or could in the future discontinue, their business **or the materials or component parts we currently acquire from them** with little to no warning. If **we are** ~~our Company is~~ not adequately sourced for certain **raw materials or key** ~~components~~ - **component parts** , the discontinuation of even some smaller suppliers could have an adverse effect on our business. ~~During the last~~ **The North American and European RV industries have, from time** ~~two~~ - **to time in the past, experienced shortages of chassis for various other reasons, including component shortages, production delays, capacity constraints, labor constraints and work stoppages at the chassis manufacturers. For example, from calendar** ~~years~~ - **year 2020 through 2023** , a number of our North American and European chassis suppliers have experienced supply constraints of key components that they require to manufacture chassis, including semiconductor chips, which ~~has~~ limited their production of chassis. The reduced supply of chassis ~~has~~ negatively impacted our production rates and sales of motorized RVs, particularly in Europe **, during this period** . ~~The North American and~~ **In addition, within our** European **operations** ~~recreational vehicle industries are currently and have from time to time in the past~~ , ~~experienced shortages~~ **unpredictable deliveries** of chassis **by** ~~for various other reasons, including component shortages, production delays, and capacity constraints including labor and work stoppages at~~ the chassis manufacturers **during this same period** ~~. Shortages of motorized chassis and unpredictable production levels and deliveries of chassis to our production facilities have~~ had a **further** negative impact on our results of operations **due to missed sales plus increased** ~~in fiscal 2022 and in the recent past as we incurred additional~~ labor and overhead costs **related** ~~in addition~~ to **adjusting** ~~missed sales as a result of~~ our ~~inability~~ **own production schedules** to ~~meet customer demand~~ **accommodate the chassis received versus the chassis expected to be delivered** . ~~Based~~ **Such conditions could reoccur in the future and would have a negative impact** on ~~communications from our chassis suppliers, we anticipate the supply constraints of chassis and certain other components to continue through fiscal 2023. Continued consolidation within our major supplier base may also inhibit our ability to source~~

~~components from alternative suppliers and could result in increased component costs, which may result in decreased margins or~~ **our** ~~higher wholesale product costs, which could, ultimately, result in decreased demand for our products and adversely impact our sales and operating~~ results **of operations** . In addition, certain ~~RV~~ **raw materials and** ~~components~~ - **component parts** are sourced from countries where we do not currently have operations. **We rely on the free flow of goods through open and operational ports on a consistent basis for a portion of our raw materials and components.** Changes in trade policy and resulting tariffs that have or may be imposed, along with port, production or other delays, have, in the past, and could, ~~again~~ in the future, cause increased costs for, or shortages of, certain **raw materials and** ~~RV components or sub-~~ components. We may not be able to source alternative supplies as necessary without increased costs or at all. If alternative sources of these **raw materials and** components are not readily available, our sales and earnings could be negatively affected. ~~Finally~~ **Fluctuations in the prices of raw material and component parts may adversely affect our business. Raw material and component part prices have fluctuated significantly in the past and may continue to fluctuate considerably in the future. Competition and business conditions may limit the amount or timing of cost increases that can be passed on to our customers in the form of increased sales prices. Conversely, as raw material costs decline, we may not be able to maintain selling prices consistent with higher- cost raw materials in our inventory, which could adversely affect our operating results. We rely on a small number of suppliers for certain key components, including chassis, and we may not be able to source these key components from alternative suppliers. Certain key components are currently produced by only a small group of suppliers that have the capacity to supply large quantities, primarily: (1) motorized chassis, where there are a limited number of chassis suppliers, and (2) doors, towable frames, slide- out mechanisms, axles and upholstered furniture for our recreational vehicles, where LCI Industries is a major supplier for these items within the North American RV industry. Continued consolidation within our key component supplier base inhibits our ability to source components from alternative suppliers and could result in increased component costs and / or a lack of adequate supply, which in turn may result in decreased margins, higher wholesale product costs or limited production output, which could, ultimately, result in lower demand for our products, decreased sales and reduced operating results. In addition** , as is standard in the industry, our arrangements with chassis and other suppliers are generally terminable at any time either by us or by the supplier. If we cannot obtain an adequate supply of chassis **, raw materials** or other key components, this would result in a decrease in our sales and earnings. **We** ~~The cost and availability of raw materials or components used to make our products can be unpredictable. Raw material prices have fluctuated significantly in the past and~~ may **incur** ~~continue to fluctuate considerably in the future. Competition and business conditions may limit the amount or timing of cost increases that can be passed on to our customers in the form of increased sales prices. Conversely, as raw~~ material costs ~~decline~~ **related to product recalls** , **customer satisfaction actions and complying with our recall obligations for both our products and for component parts supplied by vendors. We provide warranties on the products** we **sell** ~~may not be able to maintain selling prices consistent with higher-cost raw materials in our inventory, which could adversely affect our operating results~~ . **These warranties vary** ~~Additionally, our business depends~~ **depending** on **the type of product and geographic location of the sale; however, in general, our warranties promise that we will repair, replace** ~~our~~ - **or adjust parts on our products** ~~ability to source raw materials and components in a timely and cost- efficient manner. Recently, certain raw materials and components~~ that are **not performing** ~~used in manufacturing our products, have become unavailable, interrupted or delayed. We also rely on the free flow of goods through open and operational ports on a consistent basis for a portion of our raw materials and components. Adverse political conditions, trade embargoes, increased tariffs or import duties, inclement weather, natural disasters, public health crises, war, terrorism or labor disputes adversely impacting our supply chain create significant risks for our business, particularly if these conditions or disputes result in work slowdowns, lockouts, strikes, facility closures, supply chain interruptions, or other disruptions, and would have an adverse impact on our operating results if we are unable to fulfill customer orders or are required to accumulate excess inventory as safety stock or find alternate sources of supply, if available, at higher costs. A material portion of our revenue is derived from sales of our products to international sources. Combined sales from the United States to foreign countries (predominately Canada) and sales from our foreign subsidiaries to countries other than the U. S. (predominately~~ within **acceptable standards** ~~the European Union) represent approximately 25. 0 % of THOR' s consolidated sales for~~ - **or tolerances** ~~fiscal 2022~~ . These **warranties extend to some** ~~non- U. S. sales create the potential for numerous risks which could negatively impact our financial operating results~~ , including foreign currency effects, tariffs,...... or manufacturing may create negative sentiment about -- **but not** ~~the U. S. among non- U. S. dealers, end customers, employees, or prospective employees,~~ all ~~of which could adversely affect our business~~ , ~~sales, hiring and employee retention. If we are unable to anticipate and effectively manage these and other risks~~ of operating in and selling into foreign jurisdictions...... RV products and services that meet or **our** ~~exceed end customer needs and desires, and on our ability to respond timely to developing trends within the industry such as lightweight motorized and towable vehicles, electric RVs, and process automation. A key driver in our historical performance and growth is our ability to maintain our strong brands and to continuously develop and introduce innovative new and improved products at a reasonable cost that are desired by consumers. To successfully execute our long-term strategy, we believe we must continue to develop and successfully market our existing products as well as new products, including lightweight motorized and towable recreational vehicles, electric recreational vehicles with sufficient user range capability and innovative services that enrich the end users RV experience. Our initiatives to invest in the future of the RV industry including automation of certain of our production processes and investments in new product and service innovation may be costly and may not be successful. The uncertainties associated with developing and introducing innovative new and improved products and services, such as gauging changing consumer demands and preferences and successfully developing, manufacturing, marketing and selling these products, may impact the success of our product introductions. If the products we introduce do not gain widespread acceptance, or if our competitors improve their products more rapidly or effectively than we do, we could lose sales or be required to reduce our prices, which could adversely impact our results of operations and financial~~

~~position. In addition, there is no guarantee that our innovation or automation efforts will lead to products or services that will be introduced to market or that an initial product or service concept or design will result in a unit that generates sales in sufficient quantities and at high enough prices to be profitable. If we do not timely, effectively and accurately predict or identify and respond to changing consumer preferences, including a continued shift in consumer desire for connected vehicles with a focus on ease of use and a high- quality customer experience, the demand for our products could also be reduced and our results of operations and financial position could be adversely affected. Our products and services may experience quality problems from time to time, including from~~ vendor- supplied **raw materials and component** parts **as** ~~. Our products contain thousands of parts, many of which are supplied by a network of approved vendors. Our production processes are complex, subject to periodic changes and rely heavily on skilled labor. As with all of our competitors, defects may occur in our products or components within our products, including components purchased from our vendors. Failure to detect defects in our products, including defects in vendor- supplied parts, could result in lost revenue, increased warranty and related costs and harm to our reputation. We cannot be certain that we will~~ **well** ~~detect all such defects prior to distribution of our products. In addition, although we endeavor to compel our suppliers to maintain appropriate levels of insurance coverage, we cannot be certain that, if a defect in a vendor- supplied part were to occur, the vendor would have the ability to financially rectify the defect. Unexpected engineering or design flaws have resulted in recalls and increased warranty claims in the past and could be incurred in the future. In addition, government safety standards require manufacturers to remedy defects related to product safety through safety recall campaigns, and a manufacturer is obligated to recall products if it determines that the products do not comply with a safety standard. The cost of recall and customer satisfaction actions to remedy defects in products that have been sold could be substantial and could have a material adverse effect on our earnings and harm our reputation~~ . Estimated warranty costs are accounted for at the time of product sale ~~,~~ and adjusted on a quarterly basis ~~,~~ to reflect our best estimate of the amounts necessary to settle **existing and** future ~~and existing~~ claims on **our** products. An increase in actual warranty claim costs as compared to our estimates could result in increased warranty liabilities and expense which could have an adverse impact on our earnings. **Government safety standards require manufacturers to remedy issues related to vehicle safety through safety recall campaigns, and we regularly engage in voluntary recalls when we determine our products may have a safety issue. Issues subject to recall include both materials and workmanship from our companies as well as component parts supplied by vendors. The cost of certain recall and customer satisfaction actions have been substantial in the past and future recalls or customer satisfaction actions to remedy issues in products that have been sold could also be substantial and could have a material adverse effect on our financial condition and results of operations. In addition, multiple recalls to address safety or significant operating concerns could erode consumer confidence in our brands resulting in lower sales and an adverse impact on our business and results of operations. Although we maintain appropriate reserves for such recall contingencies, from time to time we have been and likely will again be faced with specific campaigns that result in material expense. To mitigate this risk, we endeavor to compel our suppliers to maintain appropriate levels of insurance coverage and agree to commercially reasonable indemnification requirements. Our efforts may not be successful and the failure of suppliers to maintain sufficient insurance coverage or provide meaningful indemnification protection could result in increased expense and adversely affect our financial condition and results of operations.** Our business and results of operations may be harmed if the frequency and size of product liability or other claims against us increase. We are subject, in the ordinary course of business, to litigation involving product liability **, consumer protection** and other claims against us ~~, including, without limitation, wrongful death, personal injury and warranties~~ . In North America, we generally self- insure a portion of our **exposure to** product liability and certain other claims and also purchase product liability ~~and other~~ **coverage above our self-** ~~insurance~~ --- **insured retention** ~~in the commercial insurance market~~ . In Europe, we generally fully insure similar risks with insurance offering relatively low deductibles ~~or~~ **and** premiums. Not all risks ~~which~~ we face **are** ~~may be~~ covered by insurance **,** nor can we be certain that our insurance coverage will be sufficient to cover all future claims against us. Any material change in the aforementioned factors could have an adverse impact on our operating results. Any increase in the frequency and **/ or** size of claims, as compared to our experience in prior years, may cause the ~~premium~~ **premiums** that we are required to pay for insurance to increase significantly ~~and~~ **,** may negatively impact future self- insured retention levels **and** ~~. It~~ may also increase the amounts we pay in punitive damages, not all of which are covered by our insurance policies. ~~economic and social instability.In addition~~ , **or operating results.If a work stoppage occurs,it could delay** ~~there~~ -- **the manufacture,sale and distribution of** ~~may be tax inefficiencies in repatriating cash from non- U.S.subsidiaries or~~ **our** ~~unfavorable tax law changes~~ **products and have a material adverse effect on our business,prospects,operating results,or financial condition** .Our U.S.- based ~~subsidiaries~~ **operations are primarily centered in northern Indiana.The majority of our U.S.operations are located in northern Indiana,which is home to a large proportion of the U.S.RV industry.The concentration of our operations in northern Indiana creates certain risks,including:• Competition for workers skilled in the industry,especially during times of low unemployment or periods of high demand for RVs has,in the past,and may,in the future,increase the cost of our labor or limit the speed at which we can respond to changes in consumer demand;• We** have **,** ~~expenses and sales denominated~~ in ~~U.S.dollars.Sales by~~ **the past,and could,in the future,experience employee retention and recruitment challenges as employees with industry knowledge and experience have been,and may continue to be,attracted to other positions** ~~our~~ - **or** ~~U.S.~~ **opportunities within or external to the RV industry,and their ability to change employers is relatively easy;and • The potential exists for a greater adverse impact from natural disasters,such as weather** - **related events** ~~based subsidiaries into the Canadian market are subject to currency risk as devaluation of the Canadian dollar versus the U.S.dollar may negatively impact U.S.- dollar denominated sales into Canada.Our European- based subsidiaries primarily have Euro- denominated expenses,sales and assets which are subject to changes in the Euro and U.S.dollar currency exchange rate.To offset a portion of this currency risk,the EHG acquisition was partially funded through a Euro- denominated Term Loan B,which provides an~~ **and public health emergencies** ~~economic hedge.Fluctuations in foreign~~

~~currency exchange rates in the future could have a material negative effect on our reported revenues and results of operations~~ .Business acquisitions pose integration and other risks.Our growth has been achieved **by** both ~~organically~~ ---- **organic growth** and ~~through~~ **by** ~~acquisition~~ **acquisitions** .Business acquisitions,including joint ventures and other equity investment arrangements,pose a number of risks,including integration risks,that may result in negative consequences to our business,financial condition or results of operations.The pace and significance of acquisitions and the nature and extent of integration of acquired companies,assets,operations,joint venture arrangements and other equity investment arrangements involve a number of related risks including,but not limited to:• The diversion of management’ s attention from the management of existing operations to various transaction and integration activities;• The potential for disruption to existing operations and strategic plans;• The assimilation and retention of employees,including key employees;• Risks related to transacting business in geographies outside the U.S. **,regulatory environments or product categories in which we are less accustomed** ,including but not limited to:foreign currency exchange rate changes,expanded **macro-** ~~macroeconomic~~ ----- **economic** risks due to operations in and sales to a wide base of countries,political and regulatory exposures to a wide array of countries,varying employee / employer relationships,including the existence of ~~Works~~ **workers'** ~~Councils~~ **councils** and labor organizations **,new product categories** and other challenges caused by distance,language **,** and cultural differences,making it harder to do business in certain jurisdictions ~~;• Risks related to regulatory environments or product categories with which we have limited or no experience;• Risks related to acquisitions outside of our historical RV OEM operations,which may carry new and less well known operational challenges~~ ;• The ability of our management teams to manage expanded operations,including international operations,to meet operational and financial expectations;• The integration of departments and systems,including accounting systems,technologies,books and records,controls and procedures;• The adverse impact on profitability if acquired operations,joint ventures or other equity investments do not achieve expected financial results or realize the synergies and other benefits expected;• The potential loss of,or adverse effects on,existing business relationships with suppliers and customers;• The assumption of liabilities of the acquired businesses,which could be greater than anticipated; ~~• The potential failure of our due diligence efforts to identify and properly evaluate risks or liabilities acquired or assumed in acquisition transactions;• The potential negative impact on available cash and / or future cash flows to support acquisitions,joint ventures or equity investments and related commitments;~~ and • The potential adverse impact on operating results if,in future periods,impairments of significant amounts of goodwill and other assets occur. ~~Our long-~~ **MACROECONOMIC,MARKET AND STRATEGIC RISKS With a global footprint,our business** As is customary, we have executed repurchase agreements with numerous lending institutions who finance certain of our independent ~~dealer~~ **dealers '** ~~’ s~~ purchases of our products. In accordance with customary practice in the **RV** ~~recreational vehicle~~ industry, upon the request of a lending institution financing an independent dealer’ s purchase of our products, we will generally execute a repurchase agreement with the lending institution. Repurchase agreements provide that, typically for a period of up to 18 months after a recreational vehicle is financed and in the event of default by the dealer, we will repurchase the recreational vehicle repossessed by the lending institution for the amount then due, which is usually less than 100 % of the dealer’ s cost. In addition to the obligations under these repurchase agreements, we may also be required to repurchase inventory relative to dealer terminations in certain states in accordance with state laws or regulatory requirements. The difference between the gross repurchase price and the price at which the repurchased product can then be resold, which is typically at a discount to the original sale price, is an expense to us. Thus, if we are obligated to repurchase a substantial number of recreational vehicles ~~,~~ or incur substantial discounting to resell these units in the future, we would incur increased costs and our profit margins and results of operations would be negatively affected. In difficult economic times, this amount could increase significantly compared to ~~recent~~ **other** years. **Changes in tax rates, tax legislation or exposure to additional tax liabilities or tariffs could have a negative impact on our results of operations, cash flows, financial condition, dividend payments or strategic plan. We are subject to income taxes in the U. S. and numerous foreign jurisdictions.** Our ~~business depends on the performance of~~ **domestic and international tax liabilities are** ~~independent~~ -- **dependent upon** ~~dealers and transportation carriers. We distribute all of our North American and~~ the ~~majority~~ **location** of **earnings among** ~~our European products through a system of independent~~ , ~~non- franchise authorized dealers, many of whom sell products from competing manufacturers. As of July 31, 2022, we distributed product to approximately 2, 400 independent dealerships in the United States~~ and ~~approximately 1, 100 independent dealerships in Europe. We operate two dealerships in Europe. We depend on~~ the ~~capability of~~ **applicable tax rates in,** these **different jurisdictions** ~~independent dealers to develop and implement effective retail sales plans to create demand among retail consumers for the products that the dealers purchase from us~~ . **Tax rates** ~~If our independent dealers are not successful~~ in **various jurisdictions** these endeavors, then we may be...... future health emergencies emerge in the regions in which we operate or sell our products ~~, the transportation contractors~~ may **increase** ~~have difficulty finding drivers who are willing~~ to **fund past** ~~deliver in those regions,~~ or **future** governmental ~~agencies~~ **programs. The United States** or other ~~actors~~ **governmental authorities** may **adjust tax rates, impose new income taxes** ~~restrict movement of goods in those regions. The inability to timely deliver our~~ - **or** ~~products to~~ **indirect taxes,** ~~our~~ - **or** ~~independent dealers~~ **revise interpretations of existing tax rules and regulations. Further, the outcome of future elections and the associated political party with power to enact legislation** could ~~adversely~~ **make tax increases more likely and more severe. Our** ~~effect~~ **effective** ~~our relationships~~ **income tax rate could also be affected by changes in the mix of earnings in countries** with **differing statutory tax rates, changes in statutory rates, changes in** ~~those~~ -- **the** ~~dealers~~ **valuation of deferred tax assets** and **liabilities** ~~negatively impact our~~ - **or changes in tax laws** ~~sales and net income. The loss of our~~ - **or** ~~largest independent dealer~~ **their interpretation. If** ~~or~~ **our effective tax rate were to increase, or if the ultimate determination of our taxes owed is for** an ~~increase~~ **amount** in **excess** ~~independent dealer consolidations could have a material effect on our business. Sales to FreedomRoads, LLC accounted for approximately 13. 0 %~~ of ~~our consolidated net sales for fiscal 2022. During recent years, FreedomRoads, LLC has acquired a number of formerly independent RV dealerships. The leverage to negotiate better terms with us arising from FreedomRoads, LLC’ s acquisitions or the loss of independent dealers could have a material adverse effect~~

~~on our business. In addition, deterioration in the liquidity or credit worthiness of FreedomRoads, LLC could negatively impact our sales and accounts~~ **amounts previously accrued** ~~receivable and could trigger repurchase obligations under our repurchase agreements. Recently~~ , ~~a number of other U. S.- based independent dealers have acquired, and continue to acquire, formerly independent RV dealerships, resulting in further independent dealer concentration and improved negotiating leverage for these multi- location dealers. Continued consolidation in the U. S. independent dealer network could negatively impact our sales or~~ **our** ~~gross margins and increase the concentration of our exposure under repurchase obligations related to independent dealers. Our ability to attract and retain talented, diverse and highly skilled employees, and our successful implementation of successions plans, is critical to our future success and competitiveness. Our success depends on the existence of an available, qualified workforce to manufacture our products and on our ability to continue to recruit and retain talented and diverse hourly and salaried employees. Competition for such employees is intense in the areas where we operate, particularly during periods of high industry demand, and could require us to pay higher wages to attract and retain a sufficient number of qualified employees. We cannot be certain that we will be able to attract and retain qualified employees to meet current or future manufacturing needs at a reasonable cost, or at all. In addition to compensation considerations, potential employees are placing an increasing premium on various intangibles, such as working for companies with a clear purpose, flexible work arrangements, and other considerations. If we are not perceived as an employer of choice, we may be unable to recruit and retain highly skilled employees. Further, if we lose existing employees with needed skills or we are unable to upskill and develop existing employees, particularly with the introduction of new technologies, it could have a substantial adverse effect on our business. We also rely upon the knowledge, experience and skills of our executive management and key~~ operating company management employees to compete effectively in...... of our North American facilities could result **results** ~~in higher costs and increased risk of work stoppages. We also are~~ , **cash flows** ~~directly or indirectly, dependent upon companies with unionized work forces, such as parts suppliers, chassis suppliers~~ and ~~trucking and freight companies, and work stoppages or strikes organized by such unions could have a material adverse impact on our business,~~ financial condition , or operating results. If a...... With a global footprint, our business could be adversely affected ~~by macroeconomic and geopolitical factors. Industry sales volume in any of our key markets can be volatile and could decline if there is a financial crisis~~ , ~~recession or significant geopolitical event. Our results of operations are generally sensitive to changes in overall economic and political conditions, including recessionary conditions, inflationary or deflationary pressures, prolonged high unemployment rates, significant changes in the cost and / or availability of fuel or energy, low consumer confidence, higher interest rates, restrictions and / or shortages of natural gas, terrorism and military conflicts. In times of economic uncertainty, consumers may have less discretionary income and may defer spending on high- cost, discretionary products such as RVs~~ which ~~may~~ **,** in turn ~~adversely affect our financial performance. Although the RV industry has experienced increased sales and operating results as a result of the unique consumer demand for recreational vehicles since the start of the COVID- 19 pandemic~~ , more recently we have seen demand for...... and our failure to gauge those preferences could negatively impact **the availability of cash for dividend payments** ~~our~~ - **or** ~~business~~ **our strategic plan** . We **could incur asset impairment charges** ~~cannot be certain that historical consumer preferences~~ for **goodwill** ~~recreational vehicles in general~~ , **and intangible assets** ~~our~~ - **or other long- lived assets** ~~products in particular, will remain consistent~~ . ~~Recreational vehicles~~ **We have a material amount of goodwill, intangible assets and other long- lived assets. At least annually, we review goodwill for impairment. Long- lived assets, identifiable intangible assets and goodwill** are ~~generally used~~ **also reviewed** for **impairment whenever events** ~~recreational purposes, and demand for~~ - **or** ~~our products may be adversely affected by competition from other activities that occupy consumers' leisure time and by~~ changes in **circumstances indicate** ~~consumer lifestyle, usage pattern or taste. Changes in the value consumers ascribe to the relative or perceived safety, cost, availability and comfort of recreational vehicles as compared to other~~ - **the** ~~modes~~ **carrying amount** of ~~travel, such as car, cruise ships, air or rail travel could impact demand for our products. Additionally, while our products are offered at a variety of price points, if our products are determined by dealers or consumers not to be priced competitively, especially compared to our competitors' products or to other available leisure- time activities, our sales may be adversely impacted. Similarly,~~ an **asset** ~~overall decrease in consumer leisure time may reduce consumers' willingness to purchase our products. Consumer preferences in vehicles, automotive manufacturers' responses to those preferences and governmental mandates could also result in changes in consumer preferences for recreational vehicles or the types of recreational vehicles consumers prefer. These changes could include shifts to smaller vehicles, electric vehicles, autonomous vehicles or other currently unanticipated changes. Our ability to remain competitive depends heavily on our ability to provide a continuing and timely introduction of innovative product offerings to the market. Delays in the introduction or market acceptance of new models, designs or product features could have a material adverse effect on our business. Products~~ may not be ~~accepted~~ **recoverable from future cash flows. These events or circumstances could include a significant change in the business climate, legal factors, operating performance indicators, competition, sale or disposition of a significant portion of the business or other factors. If the carrying value of a long-lived asset is considered impaired, a non- cash impairment charge is recorded** for ~~a number~~ **the amount by which the carrying value** of ~~reasons~~ **the long- lived asset or reporting unit exceeds its fair value at the time of measurement. Our determination of future cash flows** , ~~including~~ **future recoverability and fair value of our long- lived assets includes significant estimates and assumptions.** ~~changes~~ **Changes** in **those estimates** ~~consumer preferences or our~~ - **or** ~~failure to properly gauge consumer preferences~~ **assumptions or lower- than- anticipated future financial performance may result in the identification of** ~~and~~ - **an impaired asset and a non- cash impairment** ~~changes~~ - **charge** ~~to RV retail demographics. Further~~ , ~~we cannot~~ **which could** be **material. Any such charge could** ~~certain that new product introductions will not reduce revenues from existing models and~~ adversely affect our results of operations. Finally, our...... our costs, which could negatively impact operating results ~~, and we may lose sales and market share. Failure to successfully implement our strategic plan and growth initiatives could have a material adverse effect on our business~~ and financial condition ~~. Our strategic plan guides activities such as our utilization of available cash, prioritization of capital expenditures, acquisition activity, innovation and~~

~~automation activities, level of debt, pace of debt repayment, timing and extent of new debt and extent of dividend or share repurchases. Based on market conditions, opportunities and perceived risks, we could change, alter or reprioritize our investment and allocation strategies or other facets of our strategic plan. These changes, or our failure to successfully implement our strategic plan, could materially impact our overall business including future operating results, cost structure, debt structure or liquidity. Changes in market liquidity conditions, credit ratings and other factors may impact our access to future funding and the cost of debt. Significant changes in market liquidity conditions and changes in our credit ratings could impact our access to future funding, if needed, and funding costs, which could negatively impact our earnings and cash flows. If general economic conditions deteriorate or capital markets are volatile, future funding, if needed, could be unavailable or insufficient. A debt crisis, particularly in the United States or Europe, could negatively impact currencies, global financial markets, social and political stability, funding sources, availability and costs, asset and obligation values, customers, suppliers, demand for our products and our operations and financial results. Financial market conditions could also negatively impact dealer or retail customer access to capital for purchases of our products and consumer confidence and purchase decisions~~ . Our business is affected by the availability and terms of financing to independent dealers and retail purchasers. Generally, independent recreational vehicle dealers finance their purchases of inventory with financing provided by lending institutions. A decrease in the availability of this type of wholesale financing, more restrictive lending practices or an increase in the cost of such wholesale financing ~~could~~ **has historically** ~~limit~~ **limited** or ~~prevent~~ **prevented** independent dealers from carrying ~~adequate~~ **normalized** levels of inventory, which ~~may limit product offerings and could lead~~ **led** to reduced demand for our products **, lower sales, higher discounts to entice sales and an adverse impact to our results of operations. The impact of recent inflation on consumer confidence, which historically has been highly correlated with RV retail sales, and the impact of inflation on the availability of discretionary funds of our end consumers, combined with significantly higher interest rates compared to recent years impacting both our independent dealers and the end consumer, has had a negative impact on demand for our products at both the wholesale and retail levels. Future substantial or sudden increases in interest rates and decreases in the general availability of credit could have an adverse impact on our independent dealers and therefore on our business and results of operations. A decrease in availability of consumer credit resulting from unfavorable economic conditions, or additional increases in the cost of consumer credit, may cause consumers to reduce discretionary spending which could, in turn, reduce demand for our products and negatively affect our sales and profitability** . Two major floor plan financial institutions held approximately ~~62~~ **51** % of our products ~~'~~ **’** portion of our independent dealers’ total floored dollars outstanding at July 31, ~~2022~~ **2023** . In the event that either of these lending institutions limit or discontinue dealer financing, we could experience a material adverse effect on our results of operations ~~. Substantial or sudden increases in interest rates and decreases in the general availability of credit have had an adverse impact on our independent dealers and therefore on our business and results of operations in the past and may do so in the future. Further, a decrease in availability of consumer credit resulting from unfavorable economic conditions, or an increase in the cost of consumer credit, may cause consumers to reduce discretionary spending which could, in turn, reduce demand for our products and negatively affect our sales and profitability~~ . The Company’ s debt arrangements **, maturity dates** and provisions in our debt agreements may make us more sensitive to the effects of economic downturns. As of July 31, ~~2022~~ **2023** , total gross outstanding debt was $ 1, ~~799~~ **327** , ~~911~~ **405** , consisting of $ ~~1~~ **758** , **094** ~~124, 209~~ outstanding on our term loan facility **which matures** ~~, $ 100, 000~~ on ~~our ABL~~ **February 1** , **2026;** $ 500, 000 of Senior Unsecured Notes due October 15, 2029 and $ ~~75~~ **69** , ~~702~~ **311** outstanding on other debt facilities **with varying maturity dates through September 2032** . ~~We~~ **Our loan documents contain restrictions which could prevent or restrict, in certain circumstances, operations, payment of dividends or incurrence of additional debt. In addition, we** must make mandatory prepayments of principal under the term loan agreement upon the occurrence of certain specified events, including certain asset sales, debt issuance and ~~receipt~~ **generation** of annual cash flows in excess of certain amounts. Our level of debt impacts our profit before tax and cash flows as a result of the interest expense and periodic debt and interest payments. In addition, our debt level could limit our ability to raise additional capital, if necessary, or increase borrowing costs on future debt ~~,~~ **if we are unable to replace existing debt with comparable new debt** and may have the effect, among other things, of reducing our flexibility to respond to changing business and economic conditions, requiring us to use a portion of our cash flows to repay indebtedness and placing us at a disadvantage compared to competitors with lower debt obligations. Our ability to make payments on **and to refinance** our indebtedness depends on our ability to generate cash in the future. If we do not generate sufficient cash flows to meet our debt service, capital investment and working capital requirements, we may need to fund those requirements with additional borrowings from the **asset- based credit facility (“** ABL **”)** , reduce or cease our payments of dividends, reduce our level of capital investment and / or working capital or we may need to seek additional financing or sell assets. Availability under the ABL agreement is subject to a borrowing base calculated based on a percentage of applicable eligible receivables and eligible inventory. As such, we may not have full access to our current ABL availability based on the actual borrowing base calculation at any future period. ~~Furthermore~~ **Changes in market liquidity conditions** , ~~our~~ credit **ratings and other factors** ~~facilities contain certain provisions that~~ may **impact** ~~limit our flexibility in planning for, or~~ **our** ~~reacting~~ **access** to ~~,~~ **future funding and the cost of debt. Significant** changes in ~~our business~~ **market liquidity conditions** and **changes in** ~~our industry, including provisions impacting, among other items, our ability to: • Declare dividends or~~ **our** ~~repurchase~~ **credit ratings could impact our access to future funding, if needed, and funding costs, which could negatively impact our earnings and cash flows. If general economic conditions deteriorate or** capital **markets are volatile** ~~stock; • Incur liens; • Make loans~~ , ~~guarantees~~ **future funding** , **if needed** ~~acquisitions and investments; • Incur additional indebtedness; • Amend or otherwise alter debt and other material agreements; • Engage in mergers~~ , ~~acquisitions or asset sales; and • Engage in transactions with non- loan party affiliates. Actual or potential public health emergencies, including those of international concern, such as the COVID- 19 pandemic, could have a material adverse effect on numerous aspects of our business. The impact of actual or potential public health emergencies, epidemics or pandemics on the Company, our~~

~~suppliers, our independent dealers and customers, and the general economy~~ could be **unavailable or insufficient** ~~wide- ranging and significant, depending on the nature of the issue, governmental action taken in response and public reaction~~ . ~~The~~ **A debt crisis, particularly in the United States or Europe, could negatively** impact **currencies** ~~of the current COVID- 19 pandemic is continuing and includes illness~~ , ~~quarantines, reduced attendance of certain events and travel disruptions, reduction in certain economic activity and ongoing supply chain interruptions, which collectively have caused significant disruptions to~~ global ~~economies and~~ financial markets, **social and political stability** ~~as well as the RV industry. The continuing potential of localized outbreaks~~ , **funding sources** ~~the emergence of variants~~ , ~~the direct~~ **availability and costs, asset and obligation values, customers, suppliers, demand** ~~or~~ **for** ~~indirect~~ **our products and our operations and financial results. Financial market conditions could also negatively** impact **dealer** ~~of the pandemic on our~~ - **or** ~~supply chain~~ **retail customer access to capital** ~~or~~ **for purchases** ~~other continuations~~ of ~~the pandemic, as well as the actions taken to contain the spread of the virus by various governmental entities or~~ **our** ~~other actors in the areas in~~ **products and consumer confidence and purchase decisions** which **could** ~~we operate~~ , ~~sell~~ **in turn, reduce demand for** our products **and** ~~or source materials for use in our manufacturing processes may~~ have a negative impact on our ~~business, results of operations and~~ financial condition ~~in future periods. The future severity of the COVID- 19 pandemic is difficult to predict~~ and **results** ~~ever- evolving. The pandemic continues to impact our business in numerous ways, including but not limited to those outlined below: • Since the start~~ of ~~the pandemic we have experienced delays, and continue to experience delays, in obtaining certain raw material components and chassis. The~~ operations ~~of our suppliers within Europe, North America and elsewhere may continue to be disrupted, negatively impacting the price we are required to pay to acquire raw material inputs, or limiting our production output due to a lack of key material components in sufficient quantities. • The geographic centrality of the North American RV industry in northern Indiana, where the majority of our facilities and many of our suppliers are located, has, at times, stressed, and could continue to stress, our supply chain and workforce, should northern Indiana or any of the other areas in which we, our suppliers or our independent dealers operate become disproportionately impacted by the pandemic. • If the pandemic worsens, or reappears in future periods, our labor force may be negatively impacted by COVID- 19 infections, which would negatively impact our ability to produce and sell units. • If governmental mandates or private actor responses imposed to slow the spread of the virus, or its variants, are extended or reinstated in future periods, we may need to temporarily suspend production and our business may be negatively impacted. • A return to widespread restrictions on the movement of consumers or the shutdown of retail facilities, camping or other recreational destinations may negatively impact demand for our products. REGULATORY, LEGAL, CYBERSECURITY AND COMPLIANCE RISKS Our chassis supply may be negatively impacted by ongoing compliance requirements with chassis emissions standards, which are subject to future changes by various governmental organizations, in both the U. S. and Europe. We obtain motorized chassis from a number of different chassis suppliers who are required to comply with strict emission standards. As governmental agencies revise those standards, the chassis manufacturers must comply within the timeframes established. Uncertainties created by continued emission standards compliance requirements or the adoption of revised emission standards include the ability of the chassis manufacturer to comply with such standards on a timely and ongoing basis as well as the ability to produce sufficient quantities of compliant chassis to meet our demand. In the past, certain chassis manufacturers have experienced difficulties in meeting one or both of these requirements. In addition, revisions to chassis by the suppliers often impact our engineering and production processes and may result in increased chassis or other costs to us. Climate- related regulations, such as new or more stringent greenhouse gas (" GHG") regulations designed to address climate change, may result in additional required disclosures and related compliance costs. Our operations and certain products we sell are subject to rules limiting emissions and other climate related regulations in certain jurisdictions where we operate or sell our products. Concerns regarding climate change at numerous levels of government in various jurisdictions may lead to additional and potentially more stringent international, national, regional and local legislative and regulatory responses, and compliance with any new rules could be difficult and costly. Climate change regulation combined with public sentiment could result in reduced demand for our products, higher energy and fuel prices or carbon taxes, limitations on where we can produce or sell our products, limitations on where our products can be used or other restrictions or costs, all of which could materially adversely affect our business and results of operations. Increased public attention to environmental, social and governance matters may expose us to negative public perception, impose additional costs on our business or impact our stock price. Recently, more attention is being directed towards publicly- traded companies regarding environmental, social and governance (" ESG ") matters. A failure, or perceived failure, to achieve stated goals, respond to regulatory requirements or meet investor or customer expectations related to ESG concerns could cause harm to our business and reputation. For example, our RV products are powered by gasoline and diesel engines or are required to be towed by gasoline or diesel- powered vehicles. Government, media or activist pressure to limit emissions could negatively impact consumers' perceptions of our products which could have a material adverse effect on our business, and the actions taken by governments and other actors to reduce emissions could impose costs that could materially affect our results of operation and financial condition. Additionally, while THOR strives to create an inclusive culture and a diverse workforce where everyone feels valued and respected, a failure, or perceived failure, to properly address inclusivity and diversity matters could result in reputational harm, reduced sales or an inability to attract and retain a talented workforce. Organizations that provide information to investors on corporate governance and other matters have developed rating systems for evaluating companies on their approach to ESG. Unfavorable ESG ratings may lead to negative investor sentiment which could have a negative impact on our stock price. Interruption of information systems service or misappropriation or breach of our information systems could cause disruption to our operations, disclosure of confidential or personal information or cause damage to our reputation. Our business relies on information systems and other technology (" information systems ") to support aspects of our global business operations, including but not limited to, procurement, supply chain management, manufacturing, design, distribution, invoicing and collection of payments. We also use information systems to accumulate, analyze and report our operational results. In connection with our use of information systems, we obtain, create and maintain confidential and~~

~~personal information. Additionally, we rely upon information systems in our marketing and communication efforts. Due to our reliance on our information systems, we have established various levels of security, backup and disaster recovery procedures. Despite our security measures and business continuity plans, our information technology systems may be vulnerable to damage, disruption or shutdowns caused by cyber- attacks, including state- sponsored attacks, computer viruses, malware (including " ransomware "), phishing attacks or breaches due to errors or malfeasance by employees and others who have access, or gain access, to these systems. The occurrence of any of these events could compromise the confidentiality, operational integrity and accessibility of these systems and the data that resides within them and our business processes and operations may be negatively impacted in the event of a substantial or prolonged disruption of service caused by such events. The methods and technologies used to obtain unauthorized access to our information systems are constantly changing and may be difficult to anticipate as are laws and regulations concerning data protection and privacy. While we have implemented and regularly review robust security measures and processes designed to prevent and detect unauthorized access to our information systems, we may not be able to anticipate and effectively prevent unauthorized access or data loss in the future. The misuse, leakage, unauthorized access or falsification of information could result in a violation of privacy laws, including the European Union' s General Data Protection Regulation (" GDPR") and laws applicable in North America and the United States, and damage to our reputation which could, in turn, have a significant, negative impact on our results of operations, as a result of fines, remediation costs or other direct or indirect ramifications. Changes in tax rates, tax legislation or exposure to additional tax liabilities or tariffs could have a negative impact on our results of operations, cash flows, financial condition, dividend payments or strategic plan. We are subject to income taxes in the U. S. and numerous foreign jurisdictions. Our domestic and international tax liabilities are dependent upon the location of earnings among, and the applicable tax rates in, these different jurisdictions. Tax rates in various jurisdictions in which we operate or sell our products may increase as a means of funding the significant cost of governmental stimulus measures enacted to assist and protect individuals and businesses impacted by the COVID- 19 pandemic or to fund other governmental programs. The United States or other governmental authorities may adjust tax rates, impose new income taxes or indirect taxes, or revise interpretations of existing tax rules and regulations. Further, the outcome of future elections and the associated political party with power to enact legislation could make tax increases more likely and more severe. Our estimated effective income tax rate could also be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in statutory rates, changes in the valuation of deferred tax assets and liabilities or changes in tax laws or their interpretation. If our effective tax rate were to increase, or if the ultimate determination of our taxes owed is for an amount in excess of amounts previously accrued, our operating results, cash flows and financial condition could be adversely affected, which, in turn, could negatively impact the availability of cash for dividend payments or our strategic plan. Additionally, new and / or increased tariffs by the United States and / or by other countries could subject the Company to increased costs for RV components that are imported, directly or by our suppliers, into the United States. Increased costs for imported RV components could require us to increase prices to our customers which may reduce demand, or, if we are unable to increase prices, may result in lower margins on products sold. We may not be able to protect our intellectual property and may be subject to infringement claims. Our intellectual property, including our patents, trademarks, copyrights, trade secrets, and other proprietary rights, constitutes a significant part of our value. Our success depends, in part, on our ability to protect our intellectual property against infringement and misappropriation by defending our intellectual property rights. To protect these rights, we rely on intellectual property laws of the U. S., Germany, Canada, and other countries, as well as contractual and other legal rights. We seek to acquire the rights to intellectual property necessary for our operations. However, our measures may not be successful in any given instance, particularly in countries outside the U. S. We endeavor to protect our rights; however, third parties may infringe upon our intellectual property rights. We may be forced to take steps to protect our rights, including through litigation, which could be expensive and result in a diversion of resources and management attention. The inability to protect our intellectual property rights could result in competitors undermining the value of our brands by, among other things, manufacturing and marketing similar products, which could adversely affect our market share and results of operations. Moreover, competitors or other third parties may challenge or seek to invalidate or avoid the application of our existing or future intellectual property rights that we develop, purchase, receive or license. The loss of protection for our intellectual property could reduce the market value of our brands and our products and services, lower our profits, and otherwise have a material adverse effect on our business, financial condition, cash flows or results of operation. We also face the risk of claims that we have infringed third parties' intellectual property rights. Any claims of intellectual property infringement, even those without merit, could be expensive and time consuming to defend, cause us to cease making, licensing, or using products that incorporate the challenged intellectual property, require us to redesign, reengineer, or rebrand our products, if feasible, divert management' s attention and resources, require us to enter into royalty or licensing agreements in order to obtain the right to use a third party' s intellectual property or damage our reputation. Any royalty or licensing agreements, if required, may not be available to us on acceptable terms or at all. A successful claim of infringement against us could result in our being required to pay significant damages, enter into costly license or royalty agreements, or stop the sale of certain products, any of which could have a negative impact on our business, financial condition, and results of operations. Our business is subject to numerous national, regional, federal, state and local regulations in the various countries in which we operate, sell and / or use our products. Our operations are subject to numerous national, regional, federal, state and local regulations governing the manufacture and sale of our products, including various vehicle and component safety and compliance standards. In various jurisdictions, governmental agencies require a manufacturer to recall and repair vehicles which contain certain hazards or defects. Any recalls of our vehicles, voluntary or involuntary, could have a material adverse effect on our results of operations and could harm our reputation. Additionally, changes in policy, regulations or the imposition of additional regulations could have a material adverse effect on our business. Our U. S. operations are also subject to federal and numerous state consumer protection and unfair trade practice laws and regulations relating to the sale, transportation and marketing of motor vehicles, including so- called " lemon laws. " U.~~

~~S. federal and state, as well as various European laws and regulations, impose upon vehicle operators various restrictions on the weight, length and width of motor vehicles that may be operated in certain jurisdictions or on certain roadways. Certain jurisdictions also prohibit the sale of vehicles exceeding length restrictions. U. S. federal and state, as well as various European, authorities have environmental control standards relating to air, water, noise pollution and hazardous waste generation and disposal which affect our business and operations. Numerous other U. S. and European laws and regulations affect a wide range of the Company' s activities. Violations of the laws and regulations to which our business or operations are subject could lead to significant penalties, including restraints on our export or import privileges, monetary fines, criminal or civil proceedings and regulatory or other actions that could materially adversely affect our operating results. We are also subject, in the ordinary course of business, to litigation and claims arising from numerous labor and employment laws and regulations, including potential class action claims arising from alleged violations of such laws and regulations. Any liability arising from such claims would not ordinarily fall within the scope of our insurance coverages. An adverse outcome from such litigation could have a material effect on operating results. GENERAL RISKS Our ability to maintain a competitive cost structure could be affected by increases in costs related to labor, healthcare, workers compensation or other employee benefit costs. We rely on the existence of an available, qualified workforce to manufacture our products and competition for such labor could require us to pay higher wages to attract and retain a sufficient number of qualified employees. Within our U. S.- based operations, we incur significant costs with respect to employee healthcare and workers compensation benefits. We are self- insured for these employee healthcare and workers compensation benefits up to certain defined retention limits. If costs related to these or other employee benefits increase as a result of increased healthcare costs in the U. S., increased utilization of such benefits as a result of increased claims, new or revised U. S. governmental mandates or otherwise, our operating results and financial condition may suffer. Within our European- based operations, we incur significant costs with respect to employee benefits which are largely governed by country and regional regulations. New or revised governmental mandates may also cause our operating results and financial condition to suffer~~. Our risk management policies and procedures may not be fully effective in achieving their purposes. ~~Our policies, procedures, controls~~ **There is no assurance our monitoring** and oversight **activities** to ~~monitor and~~ manage our enterprise risks **will** ~~may not~~ be fully effective in achieving their purpose and may leave exposure to identified or unidentified risks. Past or future misconduct by our employees or vendors could result in violations of law by us, regulatory sanctions and / or serious reputational or financial harm. The Company monitors its policies, procedures and controls; however, our policies, procedures and controls may not be sufficient to prevent all forms of misconduct. We review our compensation policies and practices as part of our overall enterprise risk management program, but it is possible that our compensation policies could incentivize inappropriate risk taking or misconduct. Such inappropriate risk taking or misconduct could have a material adverse effect on our results of operations and / or our financial condition. ~~We could incur asset impairment charges for goodwill, intangible assets or other long- lived assets. We have a material amount of goodwill, intangible assets and other long- lived assets. At least annually, we review goodwill for impairment. Long- lived assets, identifiable intangible assets and goodwill are also reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable from future cash flows. These events or circumstances could include a significant change in the business climate, legal factors, operating performance indicators, competition, sale or disposition of a significant portion of the business or other factors. If the carrying value of a long- lived asset is considered impaired, a non- cash impairment charge is recorded for the amount by which the carrying value of the long- lived asset or reporting unit exceeds its fair value at the time of measurement. Our determination of future cash flows, future recoverability and fair value of our long- lived assets includes significant estimates and assumptions. Changes in those estimates or assumptions or lower- than- anticipated future financial performance may result in the identification of an impaired asset and a non- cash impairment charge, which could be material. Any such charge could adversely affect our operating results and financial condition. Provisions in our charter documents and Delaware law may make it difficult for a third party to acquire our Company and could depress the price of our common stock. Our Restated Certificate of Incorporation contains certain supermajority voting provisions that could delay, defer or prevent a change in control of our Company. These provisions could also make it more difficult for shareholders to elect directors, amend our Restated Certificate of Incorporation or take other corporate actions. We are also subject to certain provisions of the Delaware General Corporation Law that could delay, deter or prevent us from entering into an acquisition, including provisions which prohibit a Delaware corporation from engaging in a business combination with an interested shareholder unless specific conditions are met. The existence of these provisions could limit the price that investors are willing to pay in the future for shares of our common stock and may deprive investors of an opportunity to sell shares at a premium over prevailing prices. Our stock price may be volatile. The stock market, in general, experiences volatility that has often been unrelated to the underlying operating performance of companies. Likewise, our common stock has, at various points in our history, experienced volatility that has not been correlated to our operating results. If this volatility were to occur in the future, the trading price of our common stock could decline significantly, independent of our actual operating performance. The market price of our common stock may also fluctuate significantly in response to numerous factors, many of which are beyond our control, including the following: • Development of new products and features by our competitors; • Development of new collaborative arrangements by us, our competitors or other parties; • Changes in government regulations applicable to our business; • Changes in investor perception of our business and / or management; • Changes in global economic conditions or general market conditions in our industry; • Changes in interest rates and credit availability and their impact on our industry; • COVID- 19 or other health crisis developments, including the imposition of various governmental mandates in relation to COVID- 19 or similar situations; • Occurrence of major disruptive or catastrophic events; and • Sales of our common stock held by certain equity investors or members of management. The Company' s stock price may reflect expectations of future growth and profitability as well as expectations regarding our stock repurchase activity and that our cash dividend will continue at current levels or grow. Future dividends are subject to declaration by the Company' s Board of Directors. Furthermore, and as is customary under credit~~

~~facilities generally, certain actions, including our ability to pay dividends and repurchase shares, are subject to the satisfaction of certain conditions prior to payment. If the Company fails to meet expectations related to future growth, profitability, dividends, share repurchases or other market expectations, the Company might miss investor expectations or analysts or investors could change their opinions and / or recommendations regarding our stock and our stock price may decline, which could have a material adverse impact on investor confidence. The timing and amount of our share repurchases are subject to a number of uncertainties. Our Board of Directors authorized our management to utilize up to $ 698, 321 to repurchase shares of our common stock through July 31, 2025. Under the share repurchase program, we are authorized to repurchase, on a discretionary basis and from time- to- time, outstanding shares of our common stock in the open market, in privately negotiated transactions or by other means. The timing and amount of share repurchases will be determined at the discretion of our management team based upon the market price of the stock, management' s evaluation of general market and economic conditions, cash availability and other factors. The share repurchase program may be suspended, modified or discontinued at any time, and we have no obligation to repurchase any amount of our common stock under the program. The Inflation Reduction Act of 2022, enacted on August 16, 2022, imposes a 1 % excise tax on net repurchases of shares by domestic corporations whose stock is traded on an established securities market. The excise tax will be imposed on repurchases that occur after December 31, 2022. The imposition of the excise tax on repurchases of our shares will increase the cost to us of making repurchases and may cause management to reduce the number of shares repurchased pursuant to the program. Additional considerations that could cause management to limit, suspend or delay future stock repurchases include: • Unfavorable market conditions; • Trading price of our common stock; • Nature and magnitude of other investment opportunities available to us from time to time; and • Allocation of available cash. As a publicly- traded company, our required disclosures may put us at a competitive disadvantage. As a public company, we may be required to disclose certain information that may put us at a competitive disadvantage compared to certain of our competitors who are either non- public or are not required to disclose specific industry- related information due to the immateriality of that information to their parent company' s consolidated operations. 27~~